

# Patriot Rail adds East Chicago facility

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Post-Tribune

DECEMBER 12, 2016, 5:02 PM

**F**lorida-based Patriot Rail Co. LLC has begun operations at the former United Transportation Group location in East Chicago, having acquired the assets and property of the company that had been cited by a federal agency for numerous wastewater violations.

The specific dollar amount of Patriot Rail's investment was not disclosed, but the company stated that a large amount of money was spent to upgrade the facility at 1150 E. 145th St. to meet its safety standards and to ensure ongoing compliance with federal and state regulatory agencies.

Patriot Rail manages 12 short line railroads in 14 states. Its newly upgraded East Chicago facility, now called Lakeshore Railcar Services, is a full-service, logistics support complex with rail tank car and tanker truck washes, transloading, truck/trailer mechanical repair, maintenance, hazardous materials testing and wastewater treatment services.

According to a [U.S. Environmental Protection Agency](#) consent agreement and final order filed Oct. 13 against UTG, the federal agency observed spilled petroleum on the ground, an oil sheen in standing stormwater adjacent to a storm drain leading to East Chicago Sanitary District's combined sewer system and general poor facility spill control and maintenance during a 2013 inspection.

Among other issues, the EPA also stated in the consent agreement that the sanitary district reported oil and grease effluent violations on numerous occasions by UTG, which had owned a transportation equipment cleaner and transloading facility at the site since 1989.

UTG was fined \$1,000 by the environmental agency, documents show.

Kay Nelson, director of environmental affairs with the Northwest Indiana Forum, said she believes all environmental standards are now under control.

"If there were ongoing environmental concerns, Patriot Rail would not have received an operating permit from the agency," Nelson said.

The Northwest Indiana Forum and Indiana Economic Development Corp. have been credited with providing guidance and information supporting the project during the purchasing process.

Nelson described the forum's role as that of an informative liaison.

"This particular project was trickier than most, but Patriot Rail saw the value of the site and made a great effort to make sure all requirements were met," she said.

There are about 20 employees at the East Chicago facility currently and future expansion could create 20 to 30 jobs in the next two to three years, according to a news release concerning the sale.

"Though working with government officials can often be challenging, our team had the full cooperation of both the Indiana Department of Environmental Management and the EPA," Patriot Rail President and CEO John Fenton said.

"We found Indiana to be a very business-friendly state and were encouraged by the close collaboration and support we received from officials," he added.

*Karen Caffarini is a freelance reporter for the Post-Tribune.*

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